

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 58th LEGISLATURE - REGULAR SESSION

COMMITTEE ON APPROPRIATIONS

Call to Order: By **CHAIRMAN DAVE LEWIS**, on January 27, 2003 at 3:00 P.M., in Room 102 Capitol.

ROLL CALL

Members Present:

Rep. Dave Lewis, Chairman (R)
Rep. Rosalie (Rosie) Buzzas, Vice Chairman (D)
Rep. Edith Clark, Vice Chairman (R)
Rep. John Brueggeman (R)
Rep. Tim Callahan (D)
Rep. Stanley (Stan) Fisher (R)
Rep. Eve Franklin (D)
Rep. Dick Haines (R)
Rep. Donald L. Hedges (R)
Rep. Joey Jayne (D)
Rep. Carol C. Juneau (D)
Rep. Dave Kasten (R)
Rep. Christine Kaufmann (D)
Rep. Monica Lindeen (D)
Rep. John Musgrove (D)
Rep. Jeff Pattison (R)
Rep. Rick Ripley (R)
Rep. John Sinrud (R)
Rep. John Witt (R)

Members Excused: None.

Members Absent: None.

Staff Present: Jon Moe, Legislative Branch
Mary Lou Schmitz, Committee Secretary

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing & Date Posted: HB 286, HB 397, 1/23/2003
Executive Action: None

HEARING ON HB 286

Sponsor: REP. BILL THOMAS, HD 93, Hobson

Opening Statement by Sponsor:

REP. THOMAS said there are many people waiting to testify for this bill and he's looking forward to a very good hearing.

Proponents' Testimony:

Jo Ann Dotson, Bureau Chief, Family and Community Health Bureau, Department of Public Health and Human Services, spoke regarding Exhibit 1.

EXHIBIT(aph17a01)

Peggy Newman, Columbia Falls, Montana Dental Hygienist Association, gave testimony from Exhibit 2.

EXHIBIT(aph17a02)

Mary McHugh, Executive Director, Montana Dental Association, said that the Association is comprised of more than 90% of the dentists in Montana or about 550 members. Just before the last Legislative Session, the Dental Association in the State conducted a work force survey of dentists in Montana. Nearly 90% of their members responded to that survey and at that time they told the Association there was a need for an additional 100 hygienists in all parts of the State of Montana. They also learned from that survey that 50% of the dentists in Montana, at that time, were over the age of 45 and 25% of them were over the age of 55 so there is an aging dentist population and there is a great need to attract new dentists.

Hygienists are very important to practicing dentists. There is a need for more hygienists in Montana to free up the dentists to do only what dentists can do and that is to provide diagnosis and treatment.

The continuing funding of this program is an opportunity to develop the State's economy. The Montana Oral Health Foundation has been set up and over \$200,000 has been raised. They are continuing to raise money for that Foundation and this past summer made their first significant gift; \$75,000 was given to the Program at Great Falls for construction and remodeling costs that were not taken care of by the Federal Grant they have received.

EXHIBIT(aph17a03)

Chris Christiaens, Great Falls, said the Program was set up in part from a Federal Grant, over \$600,000, and in the last Session the General Fund funded \$119,000 for the start-up of this program. Today there are 14 students involved in the Dental Hygiene Program in Great Falls. Under the situation of going back to the 2000 budget, this Program, among others, has been eliminated so \$211,000 is needed to take care of the ongoing program for the second year students and to be able to take care of the oncoming new students that will be going into the Program.

Alan Strange, Director, Montana Primary Care Association, echoed the sentiments of the previous speakers and asked for support of HB 286.

Gerry Jennings, Great Falls, Member of the Higher Education Committee with MSU, Great Falls.

Mary Sheehy Moe, Dean, MSU - Great Falls College of Technology where the Dental Hygiene Program is currently housed.

EXHIBIT (aph17a04)

EXHIBIT (aph17a05)

Geoff Gamble, President, Montana State University, said he urges the State to consider an investment in the Dental Hygiene Program. The good paying jobs not only speak to economic development but also speak to a health issue in the State. He is speaking of not only good dental health but the fact that it has already been demonstrated that good oral hygiene has implications for the general health of an individual and particularly for good cardiovascular health.

Kathy Cronin, Commissioner, Cascade County.

{Tape: 1; Side: A; Approx. Time Counter: 0 - 29.7}

Beda Lovitt, Montana Medical Association.

Kim Woloszyn, Director, Dental Hygiene Program, said she sees this program as solving two problems: (1) Educating Montanans in the Dental Hygiene Profession without making them go out of the State to get that education; (2) These students will provide dental hygiene care to patients prior to graduating from the program.

EXHIBIT (aph17a06)

Kim Dunlap, Dental Hygiene Student, College of Technology.

Amy Zellmer, Dental Hygiene Student, College of Technology.

Mary Derheim, Dental Hygiene Student, College of Technology.

Joe Mazurek, City of Great Falls, said this Program is critical to Montana's oral health and asked the Committee to sustain that Program.

Ronda Carpenter, Great Falls Area Chamber of Commerce.

Opponents' Testimony: None

Informational Testimony:

CHAIRMAN LEWIS asked for **Ms. Moe** to tell the Committee how many State dollars are needed to run this Program in the next two years. **Ms. Moe** said that is referred to in an amendment, Exhibit 7, one side is option C-1 and on the other C-2. The appropriation would be \$450,366 for the biennium and with the cut, it is option C-1 which is \$420,630 for the biennium.

EXHIBIT (aph17a07)

Questions from Committee Members and Responses:

REP. KASTEN asked **President Gamble** if the Board of Regents have this as a high priority. **Mr. Gamble** said he wasn't sure he could speak for the Regents. He has made the case that there are two or three areas of higher education that they feel are absolutely crucial. This is one of them. **REP. KASTEN** referred to the curriculum and asked why the University doesn't put the Program in place. **Mr. Gamble** said he and **REP. KASTEN** were in complete agreement that that is where it belongs at the appropriate time.

REP. HEDGES asked **President Gamble** if he would support moving funds around within the Higher Education System to support this activity. **Mr. Gamble** said he is on record publicly as stating he believes the investment in Higher Education is the best investment the State can make. He has been hired to manage, at least for Montana State University, and he will find ways to make that work.

REP. SINRUD asked what the tuition is for each student per semester. **Ms. Moe** said it is \$966.23. **REP. SINRUD** said the full cost is \$30,045, therefore we are subsidizing students by roughly \$28,000 in the biennium. Is it appropriate and right that we subsidize these students to such a high degree and yet the rest of our University students throughout the State have a higher cost for their education. **Ms. Moe** said she does think it is

right because there are some programs within any campus that are a higher cost. **REP. SINRUD** said it is difficult to support something that has such a high funding of subsidy and yet we're not getting the needs met by those communities that are not serviced by dental hygienists.

Ms. McHugh said there will be 28 students for the biennium so it would calculate at \$16,000 per student which is \$8,000 per year. The American Dental Association says that across the country the average cost of educating a Dental Hygiene student is \$8,000 to \$12,000 per year so we're on the economical, or low end of educating these students.

REP. FRANKLIN asked, "What if students don't choose to go to the most areas of need?" **REP. THOMAS** said this is a frontier state as far as health care is concerned. It is true that there are some areas that need hygienists more than others. Generally speaking the entire State is in dire straits for hygienists. It has been shown by experience that one-half of the students who leave Montana to go to another school of dental hygiene, will not return. That is one of the reasons he feels this program is so important.

REP. JAYNE referred a question to **Ms. Dotson** regarding the prevention efforts in the dental hygiene area for the State. "What is the Department of Public Health and Human Services doing in that regard?" **Ms. Dotson** said her Bureau does house the designated Dental Director for the State who is a Dental Hygienist. She helps get out information about fluoridation. She developed and writes training for people such as school nurses to do prevention programs.

{Tape: 1; Side: B; Approx. Time Counter: 0 - 29.7}

Closing by Sponsor:

REP. THOMAS closed the Hearing on HB 286 by referring to Exhibit 3.

HEARING ON HB 397

Sponsor: **REP. TOM FACEY, HD 67, Missoula**

Opening Statement by Sponsor:

REP. FACEY said this bill is to assist families of public safety officers in a crisis. The bill would establish a grant program to match funds raised by nonprofit organizations and provide that

the Department of Labor and Industry administer the program providing rule making authority; temporarily increasing the amount of the State's administrative assessment on certain taxable wages paid by eligible and deficit employers; reducing certain Unemployment Insurance (UI) tax rates to compensate for the increased administrative assessment. The grant money would be used for travel costs and special equipment that might be needed in the home. The sponsor tried to make adjustments for smaller counties (page 2, line 27).

In general, employers pay an Unemployment Insurance tax (UI). **REP. FACEY** said he raised one tax slightly that goes to the Employment Security Account and then decreased another tax of corresponding amount. He referred to page 4, lines 9 through 12 of the bill. The Federal Government requires a 12-month reserve in the UI Trust Fund. The State of Montana has a 17-month reserve in the UI Trust Fund so there is more money there than they need. Line 9 increases the tax from .13% to .1365%. After discussing this with the Department of Labor and Industry, it was concluded that increase would have paid quarterly about \$50,000 into this new account the Sponsor is setting up. The fiscal statement will show about \$70,000 or \$75,000 a quarter. Employers pay the Unemployment Tax quarterly. The total amount collected by the Department of Labor and Industry is about \$20 million a quarter. He wants to capture through this bill about \$50,000 on a \$20 million payment.

REP. FACEY wants this bill to be a no-tax increase for the employer.

Proponents' Testimony:

Pat Clinch, President, Montana State Council of Professional Firefighters, said luckily they did not have any professional firefighters injured in the last two years in Montana. That is not the case nationwide. The New York firefighters and police officers injured in the 9-11 catastrophe received a 100% salary if they were 100% disabled. That is not what happens in Montana. If firefighters are disabled and cannot continue to work they will only receive 50% of their salary.

They are trying to backfill for some of the necessary equipment so if expenses come up it will make the quality of life better for that injured firefighter.

Bill Dove, Deputy Chief of Police, Bozeman and representing the Montana Police Protective Association.

Jim Kembel, Montana Association of Chiefs of Police.

Jim Smith, Montana Sheriffs and Peace Officers' Association

{Tape: 2; Side: A; Approx. Time Counter: 0 - 25.5} Tape broke at this point.

Doug Neil, Montana State Firemen's Association.

Opponents' Testimony:

Riley Johnson, representing the NFIB, Small Business Organization of Montana, said he admires **REP. FACEY's** efforts to bring this bill forward. It's an admirable cause and he believes there is a problem. The firemen, the policemen and safety and rescue officers are local people and if they are going to address this, it should be better addressed by the local people themselves as part of a community. It is also a function of local, county and city government to address this issue. These are those people who set the pay and set the benefits. It should be their issue and not a State issue.

The UI Fund is a pot of gold and is almost equally visible as the Work Comp Fund. There are restrictions with Federal money coming into the UI Funds but basically, the UI Fund has about 15 months currently, and is about \$204 million in surplus. \$18.5 million of that is money from the Federal Government. The Government passed the Reed Act and it returns the states in proportion certain monies that were overpaid to the Federal Payment on Unemployment.

He feels this is the wrong source of funding. It is attacking the Fund for the first time, a very important Fund that is agreed to and paid for by the employees in the State for a very specific purpose and for the purpose of helping those who have become unemployed through no fault of their own.

Informational Testimony:

Kevin Braun, Department of Labor and Industry will answer any questions the Committee has.

Questions from Committee Members and Responses:

REP. JAYNE asked **REP. FACEY** to explain the difference between eligible and deficit employers. **REP. FACEY** referred the question to **Mr. Braun** who said the difference is simply this: Each time an employee files a claim for benefits and benefits are paid, that account is tracked to the employer. Those accounts that have paid out more in benefits than have taken in, the UI contributions are in a deficit category. The eligible employers

are the ones with a positive experience rating that they have actually paid more into the account than has been withdrawn.

In answer to a question from **REP. SINRUD, CHAIRMAN LEWIS** said **Mr. Johnson** testified that when they see the fiscal note they will estimate on \$57,000 to reprogram the system up front for this.

REP. MUSGROVE asked, "What effect is this bill going to have on the Employment Security Accounts?" **REP. FACEY** said Exhibit 8 are the forms employers use when they pay their Unemployment Insurance quarterly. The UI contribution rate, under the bill, would drop a little bit. The UI Administration Fund Tax rate would increase slightly. Correspondingly, over the whole effect of the bill, there would be no increase for the employer.

EXHIBIT (aph17a08)

REP. LINDEEN asked whether or not the Department of Revenue reprograms their system on a yearly basis. **Mr. Braun** said as a result of legislative enactments when changes occur it requires some programming to conform with the law. He is assuming the Department of Revenue also reprograms.

Closing by Sponsor:

REP. FACEY closed the Hearing on HB 397.

{Tape: 3; Side: A; Approx. Time Counter: 0 - 27.3}

ADJOURNMENT

Adjournment: 5:00 A.M.

REP. DAVE LEWIS, Chairman

MARY LOU SCHMITZ, Secretary

DL/MS

EXHIBIT (aph17aad)